DRAFT MEMORANDUM FOR THE DIRECTOR

SUBJECT:

Failure of JAEIC to Receive Counter Espionage Informa-

tion having a Positive Intelligence Value

REFERENCE:

Memorandum dated 16 February from AD/OSI addressed to the IAC enclosing memorandum of 9 February from the Joint Atomic Energy Intelligence Committee to the Chairman, SIC

- 1. With reference to the attached memoranda, in which JAEIC said that it would have been able to produce much better estimates had it heard from the FBI in advance that there was probability of espionage leaks on atomic energy through Fuchs, I believe that you may wish to point this out as an example to Mr. Hoover of the assistance he could give this Agency. A draft of such a letter is enclosed.
- 2. I understand that the FBI had this information some months ago; but whether or not it was before June 1949, I do not know. If they had told CIA of their evidence or suspicions, it naturally would have helped with our July estimate on Soviet atomic developments.
- 3. We think that this particular instance is a matter between CIA and the FBI, not a matter for the attention of the entire Intelligence Advisory Committee, as recommended by OSI, but rather for their information.
- the With reference to the Scientific Intelligence Committee's receiving counter-intelligence data, I should think that Committee could, under its charter, arrange to have additional representation on it from OSO or FBI but I should also think it would become so large that it would become unwieldy. Neither OSO nor FBI is engaged in such substantive intelligence but are rather collectors of information.

## Approved For Release 2002/01/10 : C7-PDP67-00059A000400070019-0

- of information, and if OSO would make sure that pertinent data reaches
  OSI and ORE, I should think no additional members on the Scientific Intelligence Committee would be necessary. Also if there were such members, and yet the FBI did not give out its information much in advance of publication in the press, it would make no difference whether or not they had members on the Committee.
- 6. We think it preferable for FBI to supply CIA with its pertinent information in advance, through OSO, and then OSO should furnish it to AD/OSI or AD/ORE as the case may be.